



USAID
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U.S. Agency for International Development

AMAZON BASIN CONSERVATION INITIATIVE



CONCEPT PAPER

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I. OVERVIEW

The U.S. Agency for International Development (USAID) is pleased to announce the Amazon Basin Conservation Initiative (ABCI), a new regional conservation program to support the national governments and civil societies of the Amazon in their efforts to conserve the Basin's unique and globally important resources. The Amazon Basin includes the world's largest intact area of tropical forest and contains immeasurable environmental and cultural wealth.

Conserving and sustainably developing this natural and social wealth represents both an immense opportunity and responsibility. On a daily basis, governments and civil societies within the Amazon Basin face the challenge of meeting short- and long-term needs by balancing environmental conservation and economic well-being. Through ABCI, working in concert with the national priorities and interests of the Amazon countries, USAID seeks to facilitate, provide technical and financial assistance to, and build capacity for the conservation programs and policies of these countries.

The ABCI will be the second in a series of initiatives designed to address the shared responsibility of the U.S. for the stewardship of globally important biodiversity. Through these initiatives, USAID and other agencies of the U.S. government work together with regional governments, non-governmental groups and private sector entities in their efforts to address enormous conservation challenges in critical areas around the world by providing people with sustainable livelihoods, improving natural resource governance, and developing conservation programs appropriate for each region. The first such initiative, the Congo Basin Forest Partnership, is an association of 29 international public and private partners working to support regional government goals for biodiversity conservation, economic development, poverty alleviation and improved governance through sustainable management of forest resources in Central Africa. Through ABCI, the U.S. government will undertake a similar effort in the Amazon Basin, working in partnership with community groups, governments, and public and private organizations in order to support the ABCI vision:

An environmental constituency across the Amazon Basin with the commitment, capacity, and cooperation to be effective stewards of the Basin's globally important biological diversity and environmental services.

This vision was developed through a consultative process that began with *Conserving Biodiversity in the Amazon Basin: Context and Opportunities for USAID*, a report that assessed opportunities for USAID conservation investment in the region¹. The report identified a number of potential activities within four broad categories: (1) Governance and Civil Society; (2) Best Practices for Landscape and Natural Resource Management; (3) Markets, Trade and Financial Mechanisms for Conservation; and (4) Public Policies. In designing an initial strategy for ABCI, USAID considered both the assessment report's recommendations and substantial public comments received in response to the report. Public comment recommended that ABCI take a broader, regional approach to conservation threats and opportunities than had previous programs which have focused primarily on protected areas. In addition, USAID was advised to invest in broadly representative public and civil society groups and processes rather than focusing on particular sectors such as policy makers and protected area managers.

¹ NRIC (Natural Resources Information Clearinghouse). 2005. "Conserving Biodiversity in the Amazon Basin: Context and Opportunities for USAID". Washington, D.C.: Chemonics. Available electronically at: http://www.usaid.gov/locations/latin_america_caribbean/environment/

This Concept Paper represents the culmination of USAID's participatory design process and provides an overview of ABCI's initial phase from 2006-2010. Over these five years, USAID plans to make an initial investment of US \$50 million to support community groups, governments, and public and private organizations in their efforts to conserve the Amazon's globally important biodiversity. This investment shall be in addition to the current portfolio of conservation efforts supported by USAID in the region.

II. AMAZON CONSERVATION CHALLENGES AND OPPORTUNITIES

Biological and Cultural Diversity in the Amazon Basin

The Amazon Basin is a massive, geographically and culturally diverse region that includes portions of eight South American countries: Bolivia, Brazil, Colombia, Ecuador, Guyana, Peru, Suriname and Venezuela, and one territory (French Guiana). From its headwaters in the Peruvian Andes to its mouth in equatorial Brazil, the Amazon river system drains an area of 2.7 million square miles — approximately the size of the continental United States.

This vast watershed contains the largest area of contiguous tropical forest in the world and is home to one third of the world's species. The Amazon is the world's largest river system in terms of water flow, and carbon sequestration in the Basin's ecosystems is critical in regulating regional and global climate. The forests and waters of the Amazon provide environmental goods and services of immeasurable commercial, subsistence, cultural, and aesthetic value to the approximately 30 million residents of the Basin, including more than 350 ethnic or indigenous groups, and to national and global populations.

Conservation Challenges to the Amazon's Resources

Approximately 15 percent of the Amazon Basin has been deforested, and some areas have lost more than half of their original forest cover. The trends are alarming and show little sign of slowing, with dramatic fires increasing forest losses in 2005. Major threats to biodiversity include deforestation, habitat loss, frontier expansion, logging, agriculture and ranching, fire, petroleum and minerals extraction, overfishing, poorly planned dams and other infrastructure, and invasive species. These threats are driven by forces such as expanding commodity markets, insecure land and natural resource tenure, distorted policy incentives, climate change and population growth. A number of governance issues, including corruption, lack of capacity to fulfill management responsibilities, and limited coordination of national, provincial, and regional agencies, fuel these threats and undermine sustainable economic development efforts. For many countries in the region, the people living within the Amazon watershed are markedly poorer than those living elsewhere in the country. The protection, management and conservation of key resources over the long term, needed to secure sustainable livelihoods for Basin residents, often is overshadowed by economic growth programs that seek to meet the more immediate social development needs of Basin countries.

Amazon Conservation Opportunities

Despite these challenges, the Basin offers promising opportunities for improving sustainable economic development and conservation of the natural assets upon which this development depends. Across the Basin, public and political awareness about the importance of conservation is increasing. The past decade has seen a surge in scientific, social development, management, and general institutional capacity of civil society organizations and government, including local governments. Local constituencies including some indigenous organizations, small farmer

federations, and private landholders have benefited from programs to strengthen their technical, political and organizational skills. Many indigenous communities and organizations are committed to improving management and monitoring of their territories and reserves, which comprise more than 20 percent of the entire Amazon Basin. Throughout the region, political will to manage and conserve the Basin's immense natural wealth for the long term is growing.

Trends in Funding for Amazon Conservation

Many private and public institutions, including the U.S. government, have long-standing commitments to invest in Amazon biodiversity conservation and to assist the environmental programs of the Basin's national governments. Overall, private, bilateral and multilateral donors spend approximately \$200 million annually on Amazon conservation. As exemplified by three of the largest Amazon conservation programs, the Pilot Program to Conserve the Brazilian Rainforest², the Amazon Region Protected Areas program³ and the Amazon-Andes Initiative of the Moore Foundation⁴, a large percentage of the funding for Amazon conservation historically has supported the creation and management of protected areas, such as national parks, ecological reserves and state forest zones.

While a number of programs have generated successes in targeted areas, results have been more difficult to achieve and replicate at the national or regional scale. To date, nearly all conservation programs have focused on specific areas within particular countries, with only a few operating at transboundary or regional levels. Increasingly, however, the threats to and opportunities for conservation of biological and cultural diversity occur at larger scales. Newly constructed roads and other infrastructure link Amazonian nations and more integrated regional approaches to trade and economic growth are emerging.

Within the Amazon Basin, USAID currently supports conservation efforts in Bolivia, Brazil, Colombia, Ecuador, and Peru, with programs totaling approximately US \$36 million annually. USAID investments have focused on:

- Managing protected areas and forests, including countering illegal logging,
- Planning and development at the "landscape" scale – addressing protected areas, road or river corridors, and private or communal lands as an integrated system,
- Developing markets for environmental goods and services, including ecotourism, and
- Building capacity within indigenous communities and other conservation actors.

However, despite substantial investments by USAID and other entities and successes at specific sites, the threats to the Basin's natural resources continue to grow. New resources and new approaches are needed to counter these threats and to capitalize on promising opportunities, as

² The Pilot Program to Conserve the Brazilian Rainforest (PPG-7) is a \$440 million program supported by the G-7 countries (Germany, Canada, U.S., France, Italy, Japan and the U.K.), the European Union, the Netherlands and Brazil. PPG-7 focuses on five strategies: (1) testing and demonstrating conservation and sustainable development; (2) protecting the environment and conserving resources; (3) strengthening institutions; (4) building capacity for policy and management; and, (5) generating scientific knowledge.

³ The Amazon Region Protected Areas program (ARPA) is a 10-year, \$395 million effort to bring 12 percent of the Brazilian Amazon under protection and establish a \$220 million trust fund to finance the effective management of protected areas in perpetuity. ARPA is a partnership among the Government of Brazil, the Brazilian Biodiversity Fund (FUNBIO), the German Development Bank (KfW), the Global Environment Facility, the World Bank, and World Wildlife Fund.

⁴ The Gordon and Betty Moore Foundation's Amazon-Andes Initiative has two overall goals for its 10 year, \$350 million strategy: (1) maintaining the climatological function of the rainforest by preserving forest canopy coverage, and (2) conserving biodiversity by protecting habitat. The Foundation's strategies for achieving these goals include conservation science, protected area creation and management, economics and policy, and capacity building.

well as replicating or scaling up proven approaches from within the Amazon region or elsewhere.

III. USAID'S AMAZON BASIN CONSERVATION INITIATIVE

In heeding this call for new approaches, ABCI recognizes that conservation results can be achieved only through transformational changes in the social, economic and political conditions and institutions that underlie conservation threats and opportunities. ABCI understands conservation to be an inherently social process, based on multiple and complex human decisions and actions taken by individuals and groups in the Amazon forests and waterways, in government agencies, in non-governmental and business offices, and in other places and contexts within the Amazon Basin countries and around the globe. ABCI is dedicated to facing today's broader geopolitical conservation challenges and opportunities in the Amazon Basin by building the collective strength and will of conservation stakeholders to understand and change the conditions that drive biodiversity loss. The Initiative will support innovative but realistic approaches that address the social, economic and political concerns, inequities and opportunities relevant to Amazon conservation. By taking an approach akin to venture philanthropy, ABCI seeks to foster new ideas, facilitate partnerships and support processes that can catalyze and sustain results-driven conservation over the long term.

By facilitating and supporting conservation solutions that will tackle these challenges on larger geographic and institutional scales, ABCI will foster conservation and sustainable development across borders and throughout a complex mix of protected areas, indigenous lands, sustainable use reserves, and private lands. Within these broader solutions, one important focus of ABCI is the protection and management of conservation and special use areas under the control of indigenous, traditional and other local stakeholder communities and their organizations. These inhabited protected areas, particularly those within active frontier zones, represent an opportunity for USAID to support conservation activities that are closely linked to securing livelihoods and to the broader macro-economic, political and social changes that can determine the impact of sustainable development.

In undertaking a conservation initiative at these larger social and biophysical scales, ABCI will work with a concomitantly broader array of conservation stakeholders. Throughout the Amazon, these stakeholders have varying access to necessary sources of human, social, economic, and natural capital such as social networks, educational and economic opportunities, natural resources and democratic political participation. Furthermore, people of different ethnic and racial groups, women, youth and the elderly have different and often unequal access to the benefits of conservation programs. In respecting the environmental rights and responsibilities of Amazon conservation stakeholders, ABCI programs will work to build individual and institutional capacity to meet these challenges and thus contribute to ABCI's mission to build greater commitment and cooperation for Amazon conservation.

USAID is cognizant that sensitive national sovereignty issues surround many, if not most, questions related to natural resources. USAID recognizes that decisions on how to address resource and development related issues are ones that Amazon countries need to make themselves and sees its role as one of collaborating with national governments and civil society organizations to help generate ideas, facilitate implementation of national decisions, and provide financial support. Conflict over natural resources, haphazard or uncontrolled frontier

development, coca production and narco-trafficking, and the illegal flow of Basin resources such as timber and wildlife all pose serious challenges to conservation and sustainable development goals. Throughout ABCI, USAID is firmly committed to working closely with governments in the Amazon region and the Amazon Cooperation Treaty Organization on these issues of global biodiversity importance, supporting policy development and implementation within the parameters and interests of the Basin's national governments.

The following represent the full set of focal points for ABCI investment from 2006-2010:

ABCI Priority Threats

- Habitat conversion or degradation stemming from unsuitable agriculture, ranching, mining, logging or overfishing
- Unplanned or unsuitable infrastructure development
- Conditions of instability and conflict that adversely affect natural resources management
- Low institutional or individual capacity for conservation and environmental management

ABCI Priority Opportunities

- Conservation and management of landscape-scale mosaics consisting of indigenous lands, sustainable development reserves, protected areas, and/or private lands
- Environmental governance, political will, and increased recognition of environmental rights and responsibilities across governments and civil societies
- Management of freshwater and forest resources.

ABCI Program Approach

The Amazon Basin Conservation Initiative will address these priorities through two separate but complementary program components:

- ❖ *Consortia to address critical conservation issues at the sub-Basin scale, and*
- ❖ *A Basin-wide effort to support program management and facilitate regional collaboration for conservation.*

ABCI Program to Build Conservation Consortia

ABCI will support consortia of stakeholders to innovatively address ABCI's priority threats and opportunities by focusing on a specific conservation theme or geographic sub-region of the Basin. USAID anticipates supporting three to five consortia, with approximately 75% of ABCI resources devoted to this program component as a whole. Selected consortia must address issues that impact an area or areas that are large enough to support ecosystem functions and that include a relevant array of resource uses and legal designations (e.g. indigenous territory, protected area, private land, communal property, etc.).

Each consortium will focus on a particular theme or geographic area within the Basin. Groups that choose to address a particular theme will also have to identify specific locations in which they will invest in on-the-ground activities. For example, a consortium may seek to bring together stakeholders across certain parts of the Basin who face a similar conservation challenge or who are engaging a particular conservation opportunity. The consortium may then form a network of such stakeholders and their projects that involves different geographic sites or locations within the Basin. As examples, ABCI may support conservation consortia that:

- Improve the conservation and management of indigenous areas, public or private reserves, or protected areas in selected zone(s) across the Basin,

- Foster and sustain transparent land use planning processes in key road corridors, waterways or infrastructure zones, or
- Create and support a network of community-based natural resource users to address common issues.

USAID will select a set of consortia within this program component that present a comprehensive set of approaches, partners and learning opportunities whose sum is greater than the parts. USAID intends that the selected consortia will, as a whole, generate and sustain the programmatic integrity needed to support the ABCI vision. Consortia selected as ABCI partners will have the opportunity to dedicate time to building trust and working relationships among diverse groups and across political boundaries and to design effective interventions. In selecting and supporting partners, ABCI is committed to establishing leadership roles and opportunities for Amazon-based partner organizations and individuals.

ABCI Program to Support Program Management and Facilitate Regional Collaboration for Conservation

Complementary to the sub-Basin consortia, ABCI will also support a region-wide program component that will facilitate overall implementation of the program and support collaborative conservation efforts with the consortia and other stakeholders. This region-wide partnership will facilitate USAID's intention to unite ABCI into a broader program with Basin-wide impact. By looking at the entire Basin ecosystem, this component of ABCI will be able to support the multiple-scale interventions needed to promote comprehensive responses to transnational threats such as illegal logging, wildlife trade, fire, the downstream effects of soil and water contamination, and habitat conversion.

This component will foster interest among parties from government, civil society, and the private sector to share knowledge, build alliances, and improve policies on common conservation issues. The region-wide component will also build region-wide capacity for conservation and strengthen conservation knowledge and awareness. As with the conservation consortia, USAID is dedicated to fostering leadership roles and opportunities for Amazon-based individuals and institutions that are selected to implement the ABCI region-wide component.

The region-wide component will work to build capacity for conservation through such activities as training and technical support, strengthening the management and performance of conservation networks or alliances, and fostering dialogue on common conservation issues and opportunities across borders or within key national conservation arenas. An important approach under the region-wide program will be working with existing networks and regional organizations to improve conservation and development impacts across the region and to foster increased participation and leverage with private sector stakeholders. One such regional organization is the Amazon Cooperation Treaty Organization (ACTO), which is the secretariat for the regional treaty signed by the Governments of Bolivia, Brazil, Colombia, Ecuador, Guyana, Peru, Suriname and Venezuela to express their joint intention to promote the harmonious development of the Amazon region. Other key regional and national partners for ABCI will include indigenous and other stakeholder organizations and Basin-wide conservation and development partnerships.

Interactions between the Region-wide Program and the Conservation Consortia

Together, the sub-Basin conservation consortia and the partnership for region-wide collaboration, capacity, and commitment will form an ABCI community of practice that will benefit from mutual planning, learning, and exchange of knowledge and experiences. While each sub-Basin consortium will have its own activities to implement, partners will also be expected to invest time and resources in collaborating and identifying synergies with other sub-Basin and regional partners. In turn, the region-wide partnership will not only implement region-wide activities but will also facilitate overall management of ABCI together with USAID, supporting the conservation consortia and providing logistical and administrative support for the Initiative. ABCI is dedicated to learning from other programs and to adaptively managing its own programs on the basis of knowledge and experience gained from exchanges with other conservation partners in the region. All ABCI partners will be expected to engage with other Amazon Basin donors and partners, as appropriate, to assess and communicate their successes and challenges to broader audiences, and to apply what they learn through the ABCI community of practice to improve their own program activities.

IV. EXPECTED OUTCOMES AND RESULTS

ABCI's goals for conservation in the Amazon Basin are long-term and ambitious. USAID strives for significant and tangible results that will markedly improve the conservation of biodiversity in the region. Indicators or "benchmarks" will be used to monitor and measure progress towards long-term goals and to adaptively manage ABCI's program activities. These indicators may be either biophysical (e.g., reduced deforestation rates) or behavioral (e.g., changes in the conduct of extractive industries that reduce environmental damage). The following are illustrative examples of what ABCI may measure and monitor:

- *Local organizations are empowered to effectively protect and transparently manage biologically important natural resources and ecosystem services, including monitoring changes in key biophysical indicators.*
- *Regional policies are strengthened, harmonized, and implemented effectively within those sectors that drive biodiversity loss.*
- *Public land use planning and decision-making are carried out with meaningful participation of indigenous and local people and the private sector.*

Specific activities to be supported will be determined by the competitive process used to select ABCI activities and partners. The innovation and creativity of this process will shape the outcomes and results of interventions, which USAID and its partners will jointly design during ABCI's first year of implementation. ABCI activities and partners will strive to create an environmental constituency across the Amazon Basin with the commitment, capacity, and cooperation to be effective stewards of the Basin's globally important environmental services and biological diversity.